

**SPECIAL CONDITIONS OF CONTRACT (REV 00) dated 17/11/18  
FOR  
4X225 MW ARUN-3 HYDRO ELECTRIC PROJECT -NEPAL**

These Conditions shall be read in conjunction with General Condition of Contract (GCC) enclosed along with the tender enquiry. In case of any conflict or inconsistency, the requirement of SCC shall prevail over the GCC and its corrigendum, if any.

|     |                             |  |
|-----|-----------------------------|--|
| 1.0 | Project Name                | <b>4X225 MW ARUN-3 HYDRO ELECTRIC PROJECT -NEPAL</b>   |
| 2.0 | Ultimate Customer           | SJVN Arun-3 Power Development Company (P) Ltd. (SAPDC), a company promoted by SJVN Ltd.-Nepal  |
| 3.0 | Delivery Address (ship to)  | a) For Indian Suppliers - Raxaul City – Detailed address shall be intimated later<br>b) For Foreign Suppliers - Kathmandu Airport— Detailed address shall be intimated later<br>c) For Nepali Suppliers – Arun -3 Project site   |
| 4.0 | Location of Plant           | The project site is located at a distance of 50 Kms from Khandbari, the headquarters of Sankhuwa sabha district of Nepal. It is about 240 Kms from Biratnagar and about 740 Kms from Kathmandu.<br><br>Nearest rail head: Raxaul border point,<br>Distance from Tumlingtar (domestic airport) town: 68 kms<br>Distance from Kathmandu (International airport) from Tumlingtar: 660 kms |
| 5.0 | Entry Point in Nepal        | Raxaul City  |
| 6.0 | Consignee Address (Bill To) | BHEL, POWER SECTOR - PROJECT ENGINEERING MANAGEMENT, POWER PROJECT ENGINEERING INSTITUTE,<br>PLOT NO.25, SECTOR-16A, NOIDA-201301<br>STATE - UTTAR PRADESH   |

*Sanjay*  
17/11/18

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|      | Notes:  | <ol style="list-style-type: none"> <li>1. Consignee address (Bill To) in Invoice &amp; LR should be strictly as per Sl. No. 06. Place of supply along with name of state to be clearly indicated by vendor in invoice.</li> <li>2. Delivery address (Ship To) in Invoice and LR shall be as per point no. 3 (detailed address shall be intimated later).</li> <li>3. Invoice should clearly specify "Billing from" and "Shipping from" addresses.</li> <li>4. It is Vendor's responsibility to ensure availability of trucks well in advance for dispatch of material to meet contractual delivery requirement.</li> </ol> |
| 7.0  | Buyer and Paying Authority  | <ol style="list-style-type: none"> <li>1) Packages for which PO is placed by BHEL-PEM - Buyer and Paying Authority shall be <b>BHEL-PEM</b>.</li> <li>2) Packages for which LOA is issued by BHEL-PEM &amp; PO is placed by BHEL-PSNR - Buyer and Paying Authority shall be <b>BHEL-PSNR</b>.</li> </ol>   |
| 8.0  | Mode of Dispatch  | By Road/Air  |
| 9.0  | Delivery terms for supplier from India, Nepal and other countries | <ol style="list-style-type: none"> <li>a) For Indian Suppliers - Raxaul City.</li> <li>b) For Foreign Suppliers - Kathmandu Airport</li> <li>c) For <b>Nepali</b> Suppliers – Arun -3 Project site</li> </ol>  |
| 10.0 | Inland freight in Nepal   | By BHEL (ROD)  |
| 11.0 | Payment terms   | <p>Shall be as per GCC Rev-06 and GST related corrigendum to GCC,Rev.06</p> <p><b>Payment linked to MRC</b> – In case MRC is not received within 120 days from the date of dispatch, then, receipted LR duly endorsed by BHEL-ROD/CHA shall be treated as MRC for vendor payment purpose.</p>  |
| 12.0 | Insurance details   | Shall be informed later  |
| 13.0 | GST Registration No.  | BHEL-PEM: 09AAACB4146P2ZC  |

*Handwritten signature and date: 17/11/18*

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| 14.0 | Dispatch Documents required (to be furnished by Vendor for payment) | <p>Vendor to furnish the scanned copy of dispatch documents immediately on the date of dispatch for billing at BHEL end.</p> <p><b>For Claiming Dispatch, Freight, MRC &amp; Services Payments (for materials originating from Indian territory), - refer GCC.</b></p> <p><b>For materials originating from non-Indian Territory</b></p> <p>(a). Three (3) original and Three (3) copies of clean bill of lading or One (1) clean original Airway Bill &amp; Three (3) copies, in case of air freight.</p> <p>(b). One (1) original and Three (3) copies of signed Invoices</p> <p>(c). One (1) original and Three (3) copies of Packing List (clearly showing number of packages, gross weight and net weight).</p> <p>(d). Three (3) copies of certificate of country of origin.</p> <p>(e). Copy of Customer/BHEL MDCC.</p> <p>(f). Three (3) copies of inspection certificate, if any, issued by the customer/his authorised representative.</p> <p>(g). Three (3) copies of certificate from the vendor to the effect that drawings and catalogues for customs clearance purpose have been kept with the packages for shipment.</p> <p>(h). Three (3) copies of certificate from the vendor to the effect that the contents in each case are not less than that entered in the invoices and guaranteed as new and as per the relevant technical specifications.</p> <p>(i) Shipping Specification – One (1) copy.</p> <p>(j). Quality Certificate – One (1) copy.</p> <p>(k). Approved Test Certificates, if any. - Three (3) copies.</p> <p>(l). Guarantee Certificate – One (1) Original + One (1) copy.</p> <p>(m). Inspection Reports – One (1) Original + One (1) copy.</p> <p>(n). PVC Calculation and copy of all applicable indices, if PVC applicable. – Two (2) copies.</p> |
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| 15.0 | Taxes & Duties | <p><b>A) GOODS AND SERVICE TAX (GST)</b><br/>Transaction between a manufacturer and merchant exporter is in the nature of supply and is not exempted under the GST laws. Accordingly the <b>Indian bidder</b> should quote the relevant CGST/SGST/IGST in their bid. However, CGST/SGST/IGST will not be taken into consideration for the purpose of evaluation of the bid.</p> <p><b>B) Being export project, the Indian bidders</b> are required to consider all the applicable export benefits, if any, as per the Foreign Trade Policy 2015-20 and Custom Act. BHEL PEM will provide all the necessary support in this regard. The bidder is required to indicate the support required and the break-up of CIF content at the enquiry stage.</p> <p><b>C) Custom duty shall be payable by BHEL/Customer</b> at the port of destination (Nepal) for the clearance of material supplied. However vendors to note that in case material gets rejected due to reasons attributable to the vendor, then the vendor shall bear the customs duty &amp; other incidentals, if any, at the port of destination for further replenishment supplies to be made.</p> <p><b>D) After the completion of supply of the ordered quantity, for any further supplies arising due to reasons attributable to the vendor, Customs duty and other incidentals, if any, at Nepal port shall be paid by the vendor.</b></p> <p><b>E) For foreign vendors, if any extra charges are incurred by BHEL during custom clearance at Nepal port due to non-compliance/insufficiency by foreign vendor, the same shall be to vendor account.</b></p> <p><b>F) In case of order on foreign Vendor, the dispatches shall be on C&amp;F basis and Taxes &amp; Duties in the country of dispatch (origin) shall be borne by Foreign Bidder &amp; to be accounted in the prices quoted to BHEL/PEM/NOIDA.</b></p> |
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A handwritten signature in black ink, appearing to read 'Ganesh Mishra'.

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|      |   | <p><b>G) FOR GST applicable on exports</b></p> <p>a) Refer Notification No. 41/2017 - Integrated Tax (Rate) dtd. 23.10.2017 regarding IGST @0.1%</p> <p>b) Notification No. 40/2017 - Central Tax (Rate) dtd. 23.10.2017 regarding CGST @0.05%</p> <p>c) Notification no. 1663 dtd. 16.11.2017 regarding SGST @0.05%</p> <p>and any other related circular thereof issued from time to time by Govt. Of India.</p> |
| 16.0 | Guarantee Period  | Guarantee period shall be as per clause no.12.0 of GCC rev no.06 or as specified in NIT, whichever is later.   |
| 17.0 | Unloading, Storage and Movement of Material within Site | <p>-By BHEL site office for Supply packages. (The Vendor shall furnish LR wise Gross Wt. and net weight of the consignment for the purpose of handling the consignment by BHEL site loading/unloading contractor).</p> <p>-By Vendor for Turnkey i.e. Supply and Erection &amp; Commissioning Packages.</p>  |
| 18.0 | Inspection agency                                       | Shall be informed later  |
| 19.0 | Packing Instructions                                    | As per technical specifications.   |

*Ganhye*  
17/11/18



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| 20.0 | LD Calculation                            | <p><b><u>Indigenous vendor</u></b></p> <p>LD to be worked out/levied upto the date of handing over of the goods to the ROD/Raxaul city. Hence, original LR stamped with the date indicating the handing over date of consignments to ROD/Raxaul city to be submitted by the supplier to PEM as a proof of goods handed over to BHEL along with dispatch invoices.</p> <p><b><u>Foreign vendor</u></b></p> <p>LD to be worked out/levied based on the date of Bill of Lading as delivery completion.<br/>All other LD terms shall be as per Clause no.16.0 of GCC REV 06.</p> |
| 21.0 | Excise Attestation at Works               | <p>Sealing of containers – Procedure for sealing of containers shall be as per clause no B of circular no 26/2017-Customs dated 1st July, 2017 and other related circular thereof issued from time to time by Govt of India.</p> <p>For this purpose, PEM's supplier should send the packing lists to IO-Projects at least 2 weeks in advance to enable prepare Shipping Invoices for furnishing to the PEM's supplier for requisite attestations and sending to ROD through fastest means for a smoother and faster customs clearance under intimation to PEM, NOIDA.</p>   |
| 22.0 | Packing List and Routing of Packing Lists | <p>Suggestive format for packing list and marks and numbers on packing case (Name Plate) shall be informed later and to be followed by the supplier/bidder.</p> <p>Packing list is an extremely important document, which forms a part of Export Documentations in connection with the processing of customs formalities. Packing List has to be generated by units/Unit vendors and sent to IO at Lodi Complex, New Delhi, and ROD/ Raxual (both at the same time), two weeks in advance, for processing and obtaining shipping bills' clearances.</p>                      |

*Signature*  
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| 23.0 | Submission of Final Drawing / Documents along with O&M Manual, Type Test Certificates (if any) | As per GCC/ Technical specification/ Kickoff meeting.   |
| 24.0 | Monthly Progress Report  | Vendor to provide monthly progress report each month after placement of PO, till supply of material. Monthly progress report of vendor shall include raw material status, BOI status, manufacturing, engineering progress including status of major drawings/docs, inspection & latest dispatch plan. Vendor may use their format to provide required information, however format (if any) issued by Purchaser after placement of PO shall be obligatory to vendor. |
| 25.0 | Loading criteria (In case bids are received from different countries)                          | Loading for transportation and customer clearance cost to reach material at Arun-III project site from Raxual city and Kathmandu Airport shall be informed later.   |

|             | Prepared by   | Checked By   | Reviewed by         | Vetted by   | Approved by |
|-------------|---------------|--------------|---------------------|---|-------------|
| Signature   |               |              |                     | Finance observations are as per email dtd. 16/11/18 |             |
| Name        | Tarun Arya    | Haseen Ahmed | Asif Iqbal Quraishi |   | B L Bedi    |
| Designation | SR.ENGR /PG-1 | MGR/PG-1     | DGM/PG-1            | FINANCE   | DH/PG-1&2   |